



January 15, 2019

The Honorable Gavin Newsom
Governor, State of California
State Capitol, First Floor
Sacramento, CA 95814

The Honorable Toni G. Atkins
President pro Tempore, California State Senate
State Capitol, Room 205
Sacramento, CA 95814

The Honorable Patricia Bates
Republican Leader
California State Senate
State Capitol, Room 305
Sacramento, CA 95814

The Honorable Anthony Rendon
Speaker, California State Assembly
State Capitol, Room 219
Sacramento, CA 95814

The Honorable Marie Waldron
Republican Leader
California State Assembly
State Capitol, Room 3104
Sacramento, CA 95814

Dear Governor Newsom, pro Tempore Atkins, Speaker Rendon, and Republican Leaders Bates and Waldron:

Our organizations collectively represent energy suppliers, including the developers and owners of over 20,000 MW of utility-scale renewable energy projects that are largely responsible for the achievement of California's renewable energy and climate change goals over the past decade. These goals have been met while providing an affordable and reliable electric system. We write to you today with a great sense of urgency in light of Pacific Gas & Electric's announced plan to file for bankruptcy.

We have previously expressed support for legislative and administrative solutions that balance accountability and fiscal responsibility to ensure continued investments in new, clean generation and to honor commitments to existing energy-supplier contracts. We will continue to promote those policies, but are deeply concerned that existing contracts and procurement processes are about to be overtaken by the utility's bankruptcy filing.

As you know, the petitioner in bankruptcy generally has some latitude to accept or reject executory contracts. In light of the critical role existing energy-supplier contracts play in California's clean energy policies, we urge you to seek immediate assurance from PG&E that its energy-supplier contracts will be affirmed and that generation interconnection deposits supporting new renewable energy projects will be protected and used to develop the transmission upgrades necessary to interconnect those projects.

PG&E's financial vulnerability has already destabilized California's energy markets. Companies with exposure to PG&E have already seen stock prices fall as a result of the company's announcement.

What is at stake is not just the future of PG&E but also California's ability to meet its ambitious climate change mitigation goals, which will require billions of dollars in additional investment in renewable energy over the next several years. If existing contracts and interconnection deposits are not protected in a PG&E bankruptcy or restructuring process, the ability to finance and build new projects will be thrown into question – as will California's progress on renewable energy and climate change goals for the foreseeable future.

We appreciate the complexities associated with PG&E's impending bankruptcy and the imperative of protecting victims, workers, and consumers in that process. We also believe it's imperative for the state to continue to pursue the state's aggressive climate goals to prevent or minimize the impact of future fires on all Californians.

American Wind Energy Association California
California Biomass Energy Alliance
California Low Carbon Fuel and Energy Coalition
California Wind Energy Association
Center for Energy Efficiency and Renewable Technologies
Geothermal Resources Council
Independent Energy Producers Association
Large-scale Solar Association
Solar Energy Industries Association

cc: Members of the California State Senate
Members of the California State Assembly
Michael Picker, President, California Public Utilities Commission
Robert B. Weisenmiller, Chair, California Energy Commission